

**Testimony**  
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**U.S. Department of State**  
**Before the House Committee on Transportation and Infrastructure's**  
**Sub-Committee on Coast Guard and Maritime Transportation**  
**Hearing on "Update on Efforts to Combat Piracy"**  
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Mr. Chairman and Members of the Committee: thank you for inviting me to discuss the national security problems posed by piracy and maritime crime. As a maritime nation we rely on the unhindered use of the oceans to ensure our economic well-being, our national defense, and the safety of our fellow citizens wherever they travel. Moreover, we seek to ensure the same for all nations. That the world is a better place when its oceans are safe for use by all has been a basic tenet of American policy since the earliest days of our nation and remains a focus for our government today.

When I first started this job in the summer of 2009, Somali piracy was spiraling out of control. Attacks were escalating and pirates were expanding operations far into the Indian Ocean. Ransom payments in the millions brought more and more Somali men to the water. When my Principal Deputy last spoke to this sub-committee two years ago, Somali pirates held nearly 600 mariners hostage and pirates roamed an area as large as the continental United States in their search for new victims. In addition to the threat posed to innocent mariners, pirate activity was costing the global economy an estimated \$7 billion a year.

Piracy emanating from Somalia represented a perfect storm for the international community – a weak state in a strategically essential location, harboring a rapidly growing transnational criminal enterprise that threatened a vital artery of the global economy. Action *had* to be taken. This prompted Secretary Clinton in 2010 to call for a new strategy aimed at tackling pirate networks and putting pirates out of business. This commitment to tackling piracy has also been affirmed by Secretary Kerry. And now – after years of hard work, building a novel international forum and pursuing innovative policies and partnerships – the number of successful pirate attacks has plummeted.

According to figures from the U.S. Navy, there was a 75 percent decline in overall pirate attacks in 2012 compared with 2011. Independent, non-

governmental sources, such as the International Maritime Bureau, also indicate a dramatic drop in attacks.

We are seeing fewer attempted attacks in no small measure because pirates are increasingly less successful at hijacking ships. For example, in 2012, pirates captured just ten vessels, compared to 34 in 2011 and 68 in 2010. Remarkably, the last successful Somali pirate attack on a large commercial vessel was on May 10, 2012, – nearly one year ago.

The lack of success at sea means that Somali pirates are holding fewer and fewer hostages. In January 2011, pirates held 31 ships and 710 hostages. Today, Somali pirates hold hostage two ships and 60 mariners. That is a more than 90 percent reduction in hostages held by pirates since January 2011. While having just one hostage is still unacceptable, the trend is clear.

Now let me be clear – piracy remains a threat. Pirates at sea are still searching for ships to target as we speak. In fact, just last week a merchant ship successfully fended off an attack by pirates off the coast of Somalia. So the threat remains, but the progress that has been made is also real and remarkable.

**I would like to briefly outline our approach to tackling piracy off the coast of Somalia.**

The Obama administration developed and pursued an integrated multi-dimensional approach to combat piracy, the overriding objective of which was to make sure that piracy didn't pay. Piracy above all is a business. It is based on the potential to make money by preying on the vast supply of ships that pass through the waters off Somalia. We have worked to make the pirate's business model less, if at all, profitable. Pirates today are having more trouble finding helpless victims and, as a result, often operate at a loss.

This has truly been an international and an inter-agency effort. I will let my colleagues speak in more detail about the remarkable international naval effort off the coast of Somalia, which has been a critical component of our efforts to combat piracy. The naval effort has helped create a protected transit corridor and has helped ships in need and deterred pirate attacks. However, there is often just too much water to patrol. While naval patrols are an absolutely essential component of any effective counter-piracy strategy, we recognized that we needed to broaden our efforts.

**First**, the United States has helped lead the international response and galvanize international action. As the State Department's Quadrennial Diplomacy and Development Review concluded, "solving foreign policy problems today requires us to... bring countries and peoples together as only America can." This is exactly what the United States has done when addressing the problem of piracy.

All countries connected to the global economy have an interest in addressing piracy. And at a time when the United States was engaged in two wars, this was not a challenge that should simply have fallen on our shoulders alone. We therefore sought to make this a collective effort and build new kinds of partnerships and coalitions.

In January 2009, the United States helped establish the Contact Group on Piracy off the Coast of Somalia, which now includes over 80 nations and international, and industry organizations bound together on a voluntary basis. The Contact Group meets frequently to coordinate national and international counter-piracy actions. The Contact Group has become an essential forum. It helps galvanize action and coordinate the counter-piracy efforts of states, as well as regional and international organizations. Through the Contact Group, the international community has been able to coordinate multi-national naval patrols, work through the legal difficulties involved in addressing piracy, and cooperate to impede the financial flows of pirate networks.

**Second, the United States has sought to empower the private sector to take steps to protect themselves from attack.** This has been perhaps the most significant factor in the decline of successful pirate attacks and here too our diplomatic efforts have played a critical role.

We have pushed the maritime industry to adopt so-called Best Management Practices – which include practical measures, such as: proceeding at full-speed through high risk areas and erecting physical barriers, such as razor wire. The U.S. government has required U.S.-flagged vessels sailing in designated high-risk waters to fully implement self-protection measures. This has helped harden merchant ships against pirate attack.

But perhaps the ultimate security measure a commercial ship can adopt is the use of privately contracted armed security teams. These teams are often made up of former members of various armed forces, who embark on merchant ships and guard them during transits through high risk waters. The use of armed security teams has been a *game changer* in the effort to combat piracy. To date, *not a*

*single ship* with armed security personnel aboard has been successfully pirated off the coast of Somalia.

For our part, the U.S. government led by example. Early on in the crisis we permitted armed personnel aboard U.S.-flagged merchant vessels in situations where the risk of piracy made it appropriate to do so. We also made a concerted diplomatic effort to encourage port states to permit the transit of armed security teams. This included working with countries to address the varying national legal regimes, which can complicate the movement of these teams and their weapons from ship-to-ship or ship-to-shore. American Ambassadors, Embassy officials, and members of our counter-piracy office at the State Department pressed countries on this issue. I myself, in meetings with senior officials from key maritime states have made the case that permitting armed personnel aboard ships is an effective way to reduce successful incidents of piracy. U.S. diplomatic efforts have therefore been critical to enabling the expanded use of armed personnel.

**Third, we have sought to deter piracy through effective apprehension, prosecution and incarceration of pirates and their networks.** Today, over 1,000 pirates are in custody in 20 countries around the world. Most are, or will be, prosecuted and face lengthy prison terms, if convicted. The United States has encouraged countries to prosecute pirates and we have supported efforts to increase prison capacity in Somalia. We have also sought to develop a framework for prisoner transfers so convicted pirates serve their sentence back in their home country of Somalia.

But as piracy evolved into an organized transnational criminal enterprise, it became increasingly clear that prosecuting low-level pirates at sea was not on its own going to significantly change the dynamic. We also needed to target pirate kingpins and pirate networks. As any investigator who works organized crime will tell you – we need to follow the money.

This focus is paying off. Today, we are collaborating with law enforcement and the intelligence community, as well as with our international partners like Interpol, to detect, track, disrupt, and interdict illicit financial transactions connected to piracy and the criminal networks that finance piracy. We have also helped support the creation of the Regional Anti-Piracy Prosecution and Coordination Center in the Seychelles. This Center hosts multinational law enforcement and intelligence personnel who work together to produce evidentiary packages that can be handed off to any prosecuting authority in a position to bring charges against mid-level and top-tier pirates.

This is having an impact. A number of Somali pirate leaders have publicly announced their “retirement” or otherwise declared their intention to get out of the business. Needless to say we and our international partners remain committed to apprehending and convicting these pirate leaders. But it does show they are feeling the impact of our efforts.

**Lastly**, the most durable long-term solution to piracy is the re-establishment of stability in Somalia. The successful Somali political transition in 2012 that put in place a new provisional constitution, new parliament, and a new president is clearly a step in the right direction, but much remains to be done. Supporting the emergence of effective and responsible governance in Somalia will require continued, accountable assistance to the Somali government to build its capacity to deal with the social, legal, economic, and operational challenges it faces. Once Somalia is capable of policing its own territory and its own waters, piracy will fade away. To that end, the United States continues to support the newly established government in Mogadishu.

The comprehensive, multilateral approach that we have pursued has helped turn the tide on Somali piracy and has provided an example of how the U.S. government and the international community can respond to transnational threats and challenges in the future. We have made great strides and we need to ensure that those gains are not discarded.

Before I close I would just note that in recent months we have noted a disturbing increase in the incidence of maritime crime, including piracy and armed robbery at sea, off the coast of West Africa, specifically in the Gulf of Guinea. While in Somalia, we faced an absence of government until the recent successful political transition in 2012, in the Gulf of Guinea the exact opposite holds true. There are many sovereign governments - with varying degrees of capability - but all with their own laws, their own interests. The tools and relationships we built to roll back Somali piracy are not easily transferable to the Gulf of Guinea. Success in West Africa will depend more on the political will of regional governments to take the steps needed to curtail criminal activity. We can support with capacity building efforts and have an impressive list of those efforts underway. But ultimately tackling this challenge will depend on the countries in the region.

With that, I want to thank you for having me here today and I look forward to your questions.